



March 22, 2013

Dear members of the House Human Services Committee,

Re: HB590 Medicaid Expansion

The Billings Chamber of Commerce/Convention and Visitors Bureau and Big Sky Economic Development Authority offer the following information for your consideration regarding the proposed expansion of Medicaid for the state of Montana.

Billings is home to an ever growing medical community and we are proud of the fact that we are a regional center for many types of specialized medicine. Both the Billings Chamber and Big Sky EDA work very closely with our medical community and support and encourage the growth of this industry in Billings.

Currently, there are 7,245 uninsured adults in Yellowstone County who would be eligible for Medicaid if the proposed expansion passes. For Yellowstone County, this expansion has the potential to create over 1400 jobs and generate approximately \$60 million dollars in labor income annually. These are dollars that will primarily be spent in Montana in general and Billings in particular. The total economic impact potentially could be two or three times greater.

The 7,245 individuals currently are unable to afford preventative care services, and emergency services usually become unreimbursed costs and must be absorbed by the healthcare facility treating one of these individuals. In Montana roughly \$125 million dollars was provided at no charge for low income Montanans. These costs are shifted, in turn, to private and self-insured plans, resulting in higher costs for employers and their employees.

While expansion is important, the second criteria we feel is essential is to reform Medicaid. We believe that it should be managed by a private company or companies rather than by DPPHS. We have the opportunity with this expansion to implement Medicaid reforms and meaningful cost containment measures that would ensure we get better value for the tax dollars we spend

If we fail to expand Medicaid, those 7,245 people in Yellowstone County, mainly parents and other adults working for low wages will be left without insurance. Effectively, they will have no alternative options since they make too much money to qualify for Medicaid but too little to be eligible for tax credits to purchase private health insurance

We ask that you support the expansion of Medicaid in the state of Montana, with amendments for meaningful reform

Sincerely,

John Brewer, CAE
President and CEO
Billings Chamber of Commerce/CVB

Steve Arveschoug
Executive Director
Big Sky Economic Development Authority